Annual Report

of the

Yukon Council on the Economy & Environment

(YCEE)

April 2002 - March 2003

104-02544/

Table of Contents

Letter from the chair i

Council Membership ii

Executive Summary iii

2002-03 Activities 1

Financial Information 7

Background and goals of YCEE 9

2002-03 Work plan 12

YCEE Secretariat 13

ISBN 1-55362-171-9

Yukon Council on the Economy and the Environment
C/o Department of Environment V-2
Government of Yukon
Box 2703
Whitehorse, Yukon Y1A 2C6

September 16, 2003

Premier Fentie
Government of Yukon
Box 2703
Whitehorse, Yukon
Y1A 2C6

Dear Premier Fentie:

I am pleased to present the annual report for the Yukon Council on the Economy and the Environment covering the period of April 2002 to the end of March 2003.

YCEE has continued to work on its legislated obligations and embarked on a number of new projects. Council has faced many challenges this year with regards to the change in government and the refocusing of government priorities. Over this reporting period, Council approached a full complement with regards to membership. The membership looks forward to receiving direction from the new government and is eager to work together on sustainable development issues.

We look forward to fulfilling our legislated obligations and providing advice to the Government of Yukon in the coming year.

Sincerely,

James Grattan
Chair

2002-2003 Council Membership

Name	Constituency	Status
James Grattan, Chair	n/a	Member since 2000 Chair since February 2002
Ralph Nordling	Member at Large	Member since December 1997 Vice-Chair since December 2001
Roger Alfred	Council of Yukon First Nations	Member since August 2000
Elaine Shorty	Council of Yukon First Nations	Appointed February 2003
Curtis Shaw	Yukon Chamber of Commerce	Appointed May 2002
Linda Casson	Association of Yukon Communities	Resigned July 2002
Hilda Price	Association of Yukon Communities	Appointed February 2003
Louise Bouvier	Yukon Aboriginal Women's Council	Member since November 1993
Charlotte Hrenchuk	Yukon Status of Women's Council	Member since December 2001
Bill Mann	Yukon Chamber of Mines	Member since August 2000
Malcolm Taggart	Yukon Federation of Labour	Member since June 2001
Randy Taylor	Yukon Conservation Society	Appointed June 2002

Executive Summary

Between April 2002 and March 2003, Council continued to work towards its legislated mandates as well as a number of initiatives that blend the economic, environmental and societal issues present in the Yukon today. In the following pages, you will note the following work:

Periodic Review of the 1987 Economic Strategy – Council continued to slowly move forward with the development of tools that will help the government evaluate whether the key goals of the 1987 Economic Strategy have been achieved. Council was directed to evaluate the Government of the Yukon's Accountability Plans that were included in the 2002/03 budget documents. This task was undertaken to provide feedback on the government's progress on current economic initiatives as opposed to those detailed in the 1987 Yukon Economic Strategy.

Yukon Conservation Strategy Revision – Council provided feedback to the government with respect to the March 2002 YCS Goals, YCS Objectives, Action Items, Proposed SPI Indicators and the related Yukon Government Policy / Program. Council continues to wait for the public release of the revision in order to officially comment on the strategy.

Yukon Conservation Strategy Review (1998 – 2001) - Once again, no review was completed. Council is awaiting the completion of the Yukon Conservation Strategy Revision as well as the implementation of the Sustainable Progress Indicators Project prior to determining the best course of action regarding this legislated obligation.

Approach of the 2002 State of the Environment Report - Council provided feedback to the Department of Environment on the approach of the 2002 State of the Environment Report. Specifically, Council provided comments and recommendations on the format and incorporation of traditional knowledge in the 2002 report.

Yukon Sustainable Progress Indicators Project - Council continues to await the completion and implementation of the overall Sustainable Progress Indicators (SPI) project and the release of the first report. Council will continue to encourage and support the Government with respect to the implementation of the SPI project.

Review of the Government of Yukon Government's Accountability Plans– Council had the opportunity to review and submit comments to the government on the 2002/2003 Accountability Plans for the Departments of Environment, Business, Tourism and Culture and Energy Mines and Resources.

2002-03 ACTIVITIES

Legislated tasks

1. Periodic Review of the 1987 Economic Strategy

During the 2002/03 period, the Council continued to explore ways to meet its obligation to periodically review the Government of Yukon's progress on fulfilling the 1987 Yukon Economic Strategy as detailed in the document "Yukon Economic Strategy Yukon 2000 Building the Future".

Council continued to have difficultly in fulfilling its legislated obligation due to the nature of the economic strategy and the fact that the strategy dates back to the late 1980's. In response to this, Council in 1999 initiated the Sustainable Progress Indicators (SPI) project to help develop an effective measuring tool that could be used in fulfilling this obligation. Council continues to encourage the Government to progress with the SPI project. The Council continues to await the completion and implementation of the overall SPI project and the release of the first report.

To meet its obligation, Council used the Government of the Yukon's 2002/03 Accountability Plans as a tool to measure the government's progress on the economy instead of evaluating the Yukon Economic Strategy.

As in prior years, the Council has found it difficult to measure the Government of the Yukon's success or failure on the Yukon Economic Strategy. This difficulty arises mainly from an inability to measure progress towards the following four key goals of the strategy:

- The Option to Stay in the Yukon
- Control of the Future
- An Acceptable Quality of Life
- Equality

Assuming these 1987 goals continue to be valid in 2003 and beyond, measuring progress towards their successful implementation has continued to be a challenge.

2. Yukon Conservation Strategy Revision

The Council, as per its mandated tasks, has been involved in the Government of Yukon's revision of the Yukon Conservation Strategy (YCS). In March 2002, feedback was provided on the following:

- YCS Goals
- YCS Objectives
- Action Items
- Proposed SPI Indicators
- Related Yukon Government Policy/Program

The Council continues to wait for the final draft revision and will officially comment during the public review period.

3. Yukon Conservation Strategy Review (1998 – 2001)

The Council has once again been unsuccessful in evaluating the Government of Yukon's progress on implementing the Yukon Conservation Strategy. This delay is partly due to Council waiting for the completion of the Yukon Conservation Strategy Revision as well as the implementation of the Sustainable Progress Indicators project. The completion of these projects will allow the Council to use them as evaluation tools.

4. Review of the Approach for the 2002 State of the Environment Report

Council provided feedback to Department of Environment on the approach of the 2002 State of the Environment Report. Specifically, Council provided comments and recommendations on the format and incorporation of traditional knowledge.

In 2001, Council completed a detailed analysis of the 1999 State of the Environment Report. A subsequent report was produced which outlined significant recommendations regarding the usefulness of the report as a tool to monitor trends from the perspective of sustainable development. These recommendations were reiterated to department staff in hopes that they will be incorporated into the 2002 SOE Report.

Council eagerly awaits the completion of the 2002 State of the Environment Report and looks forward to providing feedback to government on its progress.

5. **Environmental and Sustainable Development Indicators**

Council continued to monitor the National Round Table on the Economy and the Environment's (NRTEE's) progress on the development of the Environmental and Sustainable Development Indicators. Council will continue to monitor this national initiative for links to Council's own work on the Yukon Sustainable Progress Indicators project.

Projects

1. Focus on the Future Follow Up Report

In 1999, Council completed a project entitled "*Focus on the Future: Building Sustainable Communities*". The report was a summary of numerous community conferences held during 1999 in Yukon communities. The final 1999 report did not present solutions and recommendations for change, as that was not the intent.

In the fall of 2002, YCEE contracted a follow-up report to ascertain the current status of the businesses featured and interviewed as part of the 1999 project. The purpose of the follow up report was to share success stories and identify common themes regarding challenges.

The report contains a summary of themes relating to the business's experiences over the last three years. The document also contains information on the changes, keys to success, challenges and future outlooks of the 32 businesses surveyed.

YCEE has shared this follow-up report with Government, First Nations and Yukon businesses through organizations such as the Chambers of Commerce and Community Business Service Centres. It is Council's hope that the report is used as a tool to assist small businesses and to direct government policies in the Yukon.

2.Yukon Sustainable Progress Indicators Project

In 1999 Council initiated the Sustainable Progress Indicator (SPI) project to help develop an effective measuring tool that could be used in fulfilling the obligation of reviewing the Economic and Conservation Strategies. The Council has monitored successive Governments progress on the SPI project and now eagerly awaits the completion of the overall SPI project and the release of the first report. Council sees these indicators as a valuable tool in assisting government in determining whether various strategies and associated programs are achieving the desired outcomes.

3. Information Session on Forestry in the Southeast Yukon

Council sponsored an information session on Forestry in the Southeast Yukon in Watson Lake. The session focused on the recently signed Memorandum of Understanding on Forest Stewardship for the Kaska Traditional Territory. The presentation included specifics on the MOU followed by a question and answer period. The panel consisted of representatives from DIAND, YTG and the recently created Kaska Forest Stewardship Council. This initiative partially fulfills the Council's objective of promoting public awareness and discussion of the importance of sustainable development.

4. Immigrant Investor's Fund

Council reviewed the status of the Immigrant Investor's Fund (Yukon Gold Fund). Council questioned why only one project has been funded given the fund's intention of investing in at least two eligible business ventures. It is understood that consideration will be given to the next business investment upon receipt of more immigrant investor funds. The status of the fund will remain a follow up item for council in 2003/04.

5. Royalty Fund

The Council continued discussions on the creation of a Royalty Fund to maintain the benefits of oil and gas development for future generations. Council was encouraged to comment on the status of the Royalty/Permanent Fund and provided recommendations to the Premier. The change in government has since altered the status of this fund.

6. Website

The Council continually provides information on its activities through its website http://ycee/yk.net . Council minutes and reports are posted on the site regularly. The site includes an e-mail link to the secretariat. The Council e-mail and the website partially fulfills the Council's objective of promoting public awareness and discussion on the importance of sustainable development. In 2002, council added a members-only link to aid in the dissemination of council information between meetings.

7. Miscellaneous

The council kept themselves informed about topics related to its mandate of encouraging sustainable development. These topics included: status of the Yukon Protected Areas Strategy, devolution, land claims negotiations, the Tough Report (Forestry) review, Moose Harvest Management Review, progress on the Quality of Life Indicators and the socio-economic issues of oil and gas development.

8. Meetings

Between April 2002 and the end of March 2003, the Council had the following regular meetings.

⇒ April 19-20, 2002, Whitehorse, Yukon

⇒ May 31- - June 1, 2002, Whitehorse, Yukon

⇒ August 23-24, 2002, Watson Lake, Yukon

⇒ November 15-16, 2002, Whitehorse, Yukon

⇒ February 7-8, 2003, Whitehorse, Yukon

Financial Information

The Government of Yukon provided the Yukon Council on the Economy and the Environment $50,000 for the 2001/02 and 2002/03 fiscal years of April 1 to March 31.

Yukon Council on the Economy and the Environment
2000 - 2001 Income Statement

April 1, 2001 to March 31, 2002

INCOME				
Government of Yukon				$ 20,883.00
Total Income				**$ 20,883.00**
EXPENSES				
Meeting Expenses				
Honoraria	$	8,400.00		
In Yukon Travel / Per Diems	$	5,589.00		
Catering / Rentals	$	1,773.00		
Accommodation	$	-		
Sub Total			$	15,762.00
Project Expenses				
Website	$	619.00		
Printing	$	396.00		
Contract - YCE Historical Compilation	$	4,000.00		
Out Of Yukon Travel / Per Diems		$0.00		
Program Materials	$	106.00		
Sponsor		$0.00		
Subtotal			$	5,121.00
Total Expenses			**$**	**20,883.00**

Yukon Council on the Economy and the Environment
2002 - 2003 Income Statement

April 1, 2002 to March 31, 2003

INCOME			
Government of Yukon			$49,584.00
Total Income			**$49,584.00**
EXPENSES			
Meeting Expenses			
Honoraria	$ 14,700.00		
In Yukon Travel/Per Diems	$ 13,264.00		
Catering / Rentals	$ 5,952.00		
Advertising	$ 320.00		
Secretariat Services	$ 4,897.00		
Guest Speaker	$ 898.00		
Sub Total		**$ 40,031.00**	
Project Expenses:			
Website	$ 1,420.00		
Printing	$ 1,143.00		
Program Materials	$ 0		
Postage & Freight	$ 20.00		
Business Case Studies Follow-up	$ 6,970.00		
Sub Total		**$ 9,553.00**	
Total Expenses			**$49,584.00**

Background and goals of YCEE

YCEE Terms of Reference

The terms of reference of the Yukon Council on the Economy and the Environment are as follows.

1. Act as a forum for economic and environmental issues in the Yukon, reviewing major policy, strategic, legislative, and program initiatives and providing advice to government;

2. Take a leadership role in working with various sectors towards stable, and in the case of the renewable resource sector, sustainable development, particularly through identifying significant opportunities for advancing economic development activities that are environmentally sound;

3. Function as the central advisory group on the Yukon Economic Strategy and monitor progress on the implementation of the actions in the strategy and evaluate their success in guiding environmentally sound economic development and diversification in the Yukon;

4. Function as a central advisory group on the Yukon Conservation Strategy and monitor progress on the implementation of actions outlined in the strategy and evaluate their success in guiding sustainable development of the renewable resource sector and environmentally sound and stable economic development of the non-renewable resource sector in the Yukon;

5. Encourage the development by industry, government, labour and aboriginal and non-governmental organizations of projects that demonstrate environmentally sound economic development;

6. At the call of the responsible ministers, arrange public symposia on major economic and environmental issues;

7. Promote, in cooperation with the Government of the Yukon, public awareness and understanding of the linkages between the environment and economy and the importance of environment-economy integration and sustainable development;

8. Recommend research that may, as appropriate, be funded by government to further understanding of the Yukon's economy and environment and environment-economy linkages; and

9. Review and comment on any reports that address the state of the Yukon's economy, environment and resources.

YCEE Legislation

Following is the excerpt from the Environment Act that sets out YCEE's role.
Environment Act **(s. 41)**

41. (1) The purpose of the Council is to encourage sustainable development in the Yukon.

(2) Without restricting the generality of subsection (1), the Council may:

(a) undertake and encourage public discussion of the economy and the environment and their inter-relationship;

(b) review the policies of the Government of the Yukon and evaluate their implementation in relation to the objectives of this Act;

(c) conduct research on the economy and the environment; and

(d) promote public awareness of the importance of sustainable development.

Mandated Council responsibilities under the *Environment Act* include:

- an annual report to the Legislative Assembly detailing its activities and expenditures;
- an annual review of the performance of the Yukon Government in the implementation of the Yukon Conservation Strategy and reporting its findings to the Legislative Assembly;
- a report of its review of the triennial Yukon State of the Environment Report to the Legislative Assembly; and
- review, reporting, and recommendations regarding complaints submitted under s.22 of the *Environment Act*.

Following is the excerpt from the Economic Development Act with the relevant sections applicable to YCEE.

Economic Development Act **(s. 10(1))**

This act outlines additional functions for the Council:

a) review policy, strategic, legislative and program initiatives and provide advice about them to Cabinet;

b) monitor progress on the implementation of the Yukon Economic Strategy;

c) encourage environmentally sound economic development by industry, government, labour, and aboriginal and non-governmental organizations;

d) at the call of the Minister, arrange public symposiums on major economic issues;

e) promote public awareness and understanding of the links between the environment and the economy, and the importance of integrating economic and environmental policies and sustainable development;

f) recommend research on the economy or links between the economy and the environment;

g) carry out or supervise projects assigned by the Commissioner in Executive Council;

h) review and comment on any reports that address the state of the Yukon economy.

Yukon Council on the Economy and the Environment 2002/03 Workplan and Timelines

#	Workplan Item	YCEE Meeting Date				
		April, 2002	*June, 2002*	*August, 2002*	*November, 2002*	*February, 2003*
1	Yukon Conservation Strategy Annual Reviews	Decision to request data to begin evaluation			Response received- data not to be provided until YCS revisions are complete	Discussion with new government
2	Yukon Conservation Strategy Revision	Review of draft revision and provision of comments		Request copy of revision	Revision on hold due to fall election	Discussion with new government
3	Yukon Economic Strategy Review	Discussion	Discussion	Review of government Accountability Plans	Discussion	Discussion with new government
4	YCEE Annual Report	Preparation of 01/02 term report	Review of draft 01/02 term report	Presentation of 01//02 term report		
5	Socio-Economic Development	Presentation			Discussion	
6	Sustainable Progress Indicators	Presentation		Progress report	Awaiting decision by government	Discussion with new government
7	Approach of 2002 State of the Environment Report				Presentation and feedback to Department of Environment	Progress Report
8	Business Case Studies 2003 –Three year Follow Up Report	Decision to initiate project to review business case studies from the 1999 Focus on the Future Report	Drafting of terms of reference	Review of request for proposal	Review and acceptance of finished product	Distribution to government, first nations and stakeholder groups
9	Accountability Plans Review			Review of Accountability Plans	Comments provided to government	Discussion with new government
10	Permanent/ Royalty Fund	Discussion	Presentation	Discussion	Council provided feedback to government	Fund no longer exists

Yukon Council on the Economy and the Environment
Secretariat:

Department of Environment
Government of Yukon
P.O. Box 2703 V-2
Whitehorse, Yukon
Y1A 2C6

Phone: (867) 667-8685
Fax: (867) 393-6213

YCEE@gov.yk.ca
http://www.ycee.yk.net

Secretariat:

Verena Hardtke
Department of Environment

Tamar Vandenberghe
Administrative Support Contractor